

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

Case No. 15-42941

INFINITI HOMES INTERNATIONAL, INC.,

Chapter 11

Debtor.

Judge Thomas J. Tucker

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ORDER REQUIRING DEBTOR TO AMEND DISCLOSURE STATEMENT

On July 13, 2015, Debtor filed a plan and disclosure statement, in a document entitled “Combined Disclosure Statement and Plan of Reorganization” (Docket # 43). The Court cannot yet grant preliminary approval of the disclosure statement contained within this document (“Disclosure Statement”). The Court notes the following problems, which Debtor must correct.

First, in the Plan on page 4, under the heading “Administrative Claims,” Debtor states, in relevant part: “GBF and Accountant Kimberly Armstrong shall be treated as Admin[i]strative Expense Claims. GBF anticipates approximately \$7,000.00 in legal fees being due on the Effective Date of the Plan.” While the word “Counsel” is defined in Definition 1.10 on page 2 of the Plan, the term “GBF” is not a defined term. It is apparently intended to refer to the law firm representing Debtor in this case. In any event, if Debtor uses the term “GBF” in the Plan, it must define that term.

Second, Debtor must revise its statement of the treatment of the Class I claim of the Wayne County Treasurer in the Plan, as follows:

- Debtor must state the duration of the \$7,500 monthly payments that are described on page 10 of the Plan. (Currently, Debtor states only that the monthly payments will begin 30 days after the Effective Date, but does not state when they will end or for how many months they will be made).
- Debtor estimates in Paragraph I.B.2 of the Plan on page 4 that the secured

claims of the Wayne County Treasurer total approximately \$1,000,000. And there the Debtor also states that the claim of Wayne County Treasurer will be paid in full. And later, in the treatment of Class I on page 10 of the Plan, Debtor states that the Wayne County Treasurer's claims "shall be paid 6% yearly interest calculated from the Petition Date." But the payments described under the treatment of Class I on page 10 of the Plan do not add up to \$1,000,000 with interest, or even \$1,000,000 without interest. Rather, they appear to total only \$552,000. $(\$7,500 \times 59 (\$442,500) + 10,000 + \$100,000 = \$552,000.)$ ¹ Debtor must revise the Plan to eliminate this apparent inconsistency.

Accordingly,

IT IS ORDERED that no later than July 23, 2015, Debtor must file an amended combined plan and disclosure statement that is consistent with this Order.

IT IS FURTHER ORDERED that no later than July 23, 2015, Debtor also must file a redlined version of the amended combined plan and disclosure statement, showing the changes Debtor has made to Debtor's "Combined Disclosure Statement and Plan of Reorganization" filed July 13, 2015.

Signed on July 19, 2015

/s/ Thomas J. Tucker
Thomas J. Tucker
United States Bankruptcy Judge

¹ On the other hand, the Debtor's projections, Exhibit 2 to the Plan (Docket # 45), list payments of "Property Tax arrears" for the years 2015 through 2020 that total \$1,200,000.